

CONFORMED AGENDA
REGULAR MEETING
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
6425 MAIN STREET, GEORGETOWN, CALIFORNIA
TUESDAY, JANUARY 10, 2017
2:00 P.M.

MISSION STATEMENT

It is the purpose of the Georgetown Divide Public Utility District to:

- Provide reliable water supplies
 - Ensure high quality drinking water
 - Promote stewardship to protect community resources, public health, and quality of life
 - Provide excellent and responsive customer services through dedicated and valued staff
 - Insure fiscal responsibility and accountability are observed by balancing immediate and long term needs.
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1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE

The meeting was called to order at 2:00 pm. Directors present: David Halpin, Jesse Hanschild, Carl Hoelscher, Lon Uso and Dane Wadle. Staff present: Interim General Manager Darrell Creeks, Office Manager Diane Schroeder, Project Manager George Sanders, Interim Operations Manager Marty Ceirante and Meeting Recorder Gloria Omania. Legal Counsel: Robin Baran of Churchwell White.

2. ADOPTION OF AGENDA

Director Uso indicated he would like to pull Item #11 from the agenda per his conversation with Legal Counsel Barbara Brenner.

Motion by Director Hoelscher to withdraw Item #11 from the agenda adopt the balance of the agenda. Second by Director Hanschild.

Public Comment: None

The motion passed unanimously.

- 3. PUBLIC FORUM –** Any member of the public may address the Board on any matter within the jurisdictional authority of the District. Public members desiring to provide comments, must be recognized by the Board President, and speak from the podium. Comments must be directed only to the Board. The public should address the Board members during the public meetings as President, Vice President, or Director, followed by the Board member's individual last name. The Board will hear communications on matters not on the agenda, but no action will be taken.

No disruptive conduct shall be permitted at any Board meeting. Persistence in disruptive conduct shall be grounds for summary termination, by the President, of that person's privilege of address.

No public comment.

4. CONSENT CALENDAR

A. Approval of Minutes

1. Regular Meeting of December 13, 2016
2. Special Meeting of December 15, 2016

B. Financial Reports

1. Early Pays – January 2017
2. November 2016 Month End Cash Disbursements Report
3. November 2016 Month End Payable Activity Report

C. Mid-Year Budget and Investment Review

Discussion – The District’s Annual Calendar of agenda items for the month of January includes a mid-year budget and investment review. These items will be addressed at the regular Board Meeting in February.

Possible Board Action – It is Staff’s recommendation that these items be placed on the February 14, 2017, regular Board meeting agenda.

D. Update on General Manager Selection Process

Discussion – The Interim General Manager has been contacted by three of the candidates for a meeting and tour of the District facilities.

Possible Action – Receive and file.

E. Consider Attendance by Staff and Directors to Spring Conferences

Discussion – Directors and Staff have traditionally attended the Spring Conferences of the Association of California Water Agencies, and the California-Nevada Section of the American Water Works Association.

Possible Board Action – It is Staff’s recommendation that the Board discuss and determine attendance at these Spring Conferences and direct Staff to make necessary arrangements.

Motion by Director Hoelscher to approve the Consent Calendar. Second by Director Hanschild.

Public Comment: None.

The motion passed unanimously.

5. ADOPTION OF RESOLUTION 2017-01 AUTHORIZING THE CHANGE OF SIGNATORY AUTHORITY FOR ACCOUNTS ESTABLISHED WITH EL DORADO SAVINGS BANK

Discussion – This Resolution is a requirement of El Dorado Savings Bank, which has provided banking services for the District since around 2002.

Office Manager Diane Schroeder stated the bank requires a Resolution by the Board to change the signers on the accounts.

Possible Board Action: It is Staff’s recommendation that the Board adopt Resolution 2017-01.

Motion by Director Hoelscher to adopt Resolution 2017-01. Second by Director Halpin.

Public Comment: None

The motion passed unanimously.

6. PRESIDENT'S REPORT

Director Uso stated that the District is making progress. Wants

7. BOARD REPORTS

Director Wadle reported that he met with a representative of Mountain Counties to establish a working relationship.

8. GENERAL MANAGER'S REPORT

Darrell Creeks expanded on his written report with the following additional points and comments from others:

- *District Staff has received some calls from customers about the Supplemental Charge and hardship cases have been received. Some have forgotten about the increase, but most are understanding.*

Diane Schroeder indicated she has received a couple of hardship calls and has told these customers that we have nothing in place currently; most are working on their own financials to adjust for the increase.

Director Uso stated he would like an opportunity to discuss the ability of the District to provide financial assistance in hardship cases, and what programs are available for financial assistance. He asked Staff to add this item to the next Board agenda.

- *District Staff is continuing to work on the RFP for the New Meters. District staff conducted an inventory of boxes and lids and provided this information to MC Engineering to put into a database to determine project needs. They can then complete the RFP.*

The General Manager of the Meadow Vista County Water District spoke highly about their AMR (Automated Meter Reading) drive-by system. He indicated they that they have had no problems with it. In addition, Kyle Madison, Distribution Lead, took a tour of the Meadow Vista system. Darrell was pleased to have received some good information and ideas about the AMR system that could translate into some savings for the District. Additional discussion ensued about the importance of moving this project forward.

- *Staff is making progress with the RCAC Water Rate Study. Darrell reported that he was just informed by RCAC that they have cleared out other projects so we are now at the top of their priority list. This has resulted in an increased flow of information requests from RCAC, which is good.*
- *The orange boons at Stumpy are floating around the spillway because the cable broke. These will need to be fixed, but the weather makes it quite risky to do this now. Considering having a District crew take care of it when it is safer to do so.*

Director Uso stated that we should not put staff in jeopardy and suggested that the District hire someone with proper equipment to do it right.

- *Darrell shared an interesting point that he has discussed with Engineering Consultant George Sanders about the spilling of about a foot and a half or two feet a day at the Stumpy Spillway. We have calculated that roughly 2,000 acre feet a day has been going over the spillway. Darrell stated that if we had Onion Creek with 4,000 acre feet of storage, we could fill it in two days. Darrell stated he is bringing this up because he still wants to go after these water rights someday. He added that when you consider that we put out about 4,700 acre feet during the five-month irrigation season, this water storage capability could take care of much of one irrigation season.*

Director Uso stated he had a brief conversation with Legal Counsel about water rights to ensure that we are rock solid. He asked Staff to add a discussion about water rights on the next agenda.

- *The new truck was received by the District. This new truck came in just in time since one of the trucks couldn't pass a smog check. The bigger one is expected to come in soon.*
- *Darrell distributed binders containing updated reference information to Directors Hanschild, Hoelscher and Uso. He stated the same information was provided to Directors Halpin and Wadle in their orientation binders. The information provided included an updated Board and Staff Directory and Board Policies. Staff would like to review and update these policies for the Board's consideration. These policies need to be reworked and reworded to make sure they don't conflict with our ordinances since these policies were written a few years ago.*

Director Hanschild asked about providing tablets for reviewing the agenda to eliminate the paper. Interim GM Darrell Creeks and Office Manager Diane Schroeder indicated they are looking into this. There are inexpensive tablets... Find ways to reduce paper....

9. OPERATIONS MANAGER'S REPORT

Marty Ceirante added the following points to his written report:

- *Weather has been a factor for the past month.*
- *Combined we treated 527 million gallons of drinking water in the last year: 274 million gallons out of the Walton plant and 253 million gallons out of ALT.*
- *We continue to provide excellent high quality drinking water. We did a total of 306 routine samples and 153 bacterial samples throughout the system during the year with zero positives. We completed all our sampling requirements and had no flags on anything.*

10. FINANCE COMMITTEE REPORT (Deferred to the February Board meeting.)

Director Uso indicated that the Finance Committee Chairman is out of town, so this report will be deferred to the February agenda. Director Halpin stated the next Finance Committee meeting is set for January 24, 2017.

11. **RATE INCREASE NOTIFICATION FROM CHURCHWELL WHITE, LLP, FOR LEGAL SERVICES** *(This item was withdrawn.)*

Discussion – The District is in receipt of a letter from Churchwell White notifying the District of a 2.8% increase in the Firm’s rates for legal services to be effective February 1, 2017.

Possible Board Action – It is Staff’s recommendation that the Board approve the rate increase by Churchwell White for legal services.

12. **AT&T CELL TOWER LEASE AGREEMENT – Owner (District) Signature of Application with County and Approval of AT&T Plans**

Discussion – Staff and Legal Counsel have been working on the Lease Agreement with Cingular/AT&T. The company is in the process of submitting an application to the El Dorado County Planning Department. The county requires the District’s signature on some of AT&T’s application documents.

Darrell Creeks summarized the staff report indicating authorizing the signing of this document required by El Dorado County will allow AT&T to move forward with the project. He stated that Legal Counsel is making sure everything is all done in the right order.

Director Uso commented that there are lots of complaints in the community about the lack of cell service in certain areas and asked if there was some merit to reaching out to other service providers to inform them of possible cell tower sites in the District.

Darrell indicated that they usually come to us. Legal Counsel stated it is the service providers who knows where the particular gaps. AT&T was trying to low ball us for less rate and Robin got them to agree with the rates with wanted. Pleased with how Legal Counsel negotiated to AT&T on the appropriate rate.

Possible Board Action – It is Staff’s recommendation that the Board authorize the Interim General Manager to sign the application for Cell Tower Eligible Request, as required by the County.

Motion by Director Hoelscher to authorize the Interim General Manager to sign the application for the Cell Tower Eligible Request, as required by the County. Second by Director Wadle.

Public Comment: The Board received a comment that the District should “make money.”

The motion passed unanimously.

13. **CONSIDER REQUEST FROM DEAN LACEY TO SPLIT IRRIGATION WATER SERVICE**

Discussion – The District is in receipt of a letter from Dean Lacey, an irrigation customer, requesting approval to split the water service on his parcel at 5200 Andy Wolf Road.

Darrell summarized the request to split irrigation water service. The following points were made by Board members and staff during the ensuing discussion:

- *The Ordinance is vague relative to splitting service when the customer owns both parcels.*

- Concern was expressed that property owners have been on a waiting list for irrigation service.
- This split is similar to what was allowed at Dougherty.

Director Hanschild stated he could not take action without reading the Ordinance and said he would like to defer the item to the next meeting.

Possible Board Action – It is Staff’s recommendation that the Board approve this request.

Motion by Director Hanschild to table this item to next month’s Board meeting and direct Staff to provide the Board with a copy of the Ordinance to review in considering action. Second by Director Wadle.

Public Comment: The Board received the following comments:

- It is unfair to those property owners who have been waiting in line; and spoke about how the Dougherty split affected him.
- One individual commented he would not have an argument with splitting service between two parcels owned by the same property owner.
- Already set a precedence with Dougherty property. 36:24 Director Uso hesitates calling that as a precedence because he is not sure it was approved with due diligence.
- Needs clarity with regard to the Ordinance.

The motion passed unanimously.

14. **DISCUSSION ABOUT CHANGING THE GDPUD’S ELECTION SYSTEM FROM AT-LARGE TO DISTRICT-BASED REPRESENTATION**

Discussion – This agenda item was added at the request of Director Carl Hoelscher to allow the Board to discuss changing the District’s election system from at-large representation to district-based (area) representation.

Director Hoelscher expressed his strong feelings about the election system in this District. A district-based election system would provide for fairer representation. He pointed out that currently four Board members are from one area.

Director Uso shared his experience in San Juan Capistrano where they went from an at-large system to a district-based. This was considered to ensure equal representation for protected minority groups in the community. He pointed out that the GDPUD is a small district with no such protected minority groups. You would be talking about a few hundred votes in each district, if you were able to find anyone to run.

Director Wade shared his perspective that district elections result in representatives prioritizing only for their area; those elected at-large have a tendency to look at matters on a district-wide basis, which is a good thing. He added that this matter should be added to the new General Manager’s list of priorities and objectives.

Director Hoelscher agreed that this is not a pressing issue, but it is something that needs to be discussed. Director Uso added that it could be added to a future Board workshop with the new General Manager.

Possible Board Action – It is Staff’s recommendation that the Board discuss this matter and provide direction.

15. ALT TREATMENT PLANT UPDATE

Discussion – This constitutes this month’s update on the ALT Treatment Plant Project.

George Sanders introduced himself as the District’s Engineering Consultant tasked primarily with the ALT Water Treatment Plant Project. He expanded on his written report. He indicated that he and the Interim General Manager met with the Project Manager in late December and discussed the following:

- *Modification to Pipe Type in Raw Water Line. It is currently made of a substandard material causing leaks, so we’re looking at some different material types, including one that Director Hoelscher brought to Staff’s attention. The Contractor will provide an estimate to identify the added costs or potential savings.*
- *Preliminary Baseline Work Schedule. The Contractor has 590 working days once we issue the Notice to Proceed. We have not issued the Notice to Proceed yet, but that’s coming soon. Some of the delays has to do, obviously, with the weather.*
- *Schedule of Values. The Contractor provided a Schedule of Values which is extremely beneficial to the District in managing the cash flow.*
- *Proposed Changes to the Work. Discussed some modifications that will likely require the Contractor to sign a clause to allow for these grade modifications.*

George made reference to the attached schedule from Psomas for design services during construction management. He indicated he is working with Psomas to reduce cost and would like for it not to exceed 2% of the total cost.

Possible Board Action – It is Staff’s recommendation that the Board receive and file this report.

16. DISCUSSION OF RESOLUTION FOR A BALANCED BUDGET

Discussion – Director Hoelscher requested that the Board discuss a resolution for a balanced budget.

Director Hoelscher stated that he brought this up, because there are many financial issues going forward that need to be addressed for a balanced budget, such as CalPERS.

Legal Counsel stated there are statutory requirements that the District has enough revenue to cover costs. Director Uso stated that the Board needs to do a better job informing the public about fiscal issues.

Possible Board Action – Discuss and take appropriate action.

17. EL DORADO COUNTY WATER AGENCY – USE OF VENDOR LIST

Discussion – The El Dorado County Water Agency is empowered to negotiate contracts with the District for water management and facility construction. Such contracts currently exist between the Agency and District. The Agency has developed a vendor pool of qualified contractors. The District currently has no listing of their own and could benefit from the ability to utilize this list.

Darrell described the cost savings from pulling information. EDWA has a vendor list that they have already vetted. It is helpful when districts like ours can utilize a list like that instead of taking the time to look for vendors ourselves and vet them.

Possible Board Action – It is Staff’s recommendation that the Board authorize Staff to use the vendors on this list.

Motion by Director Wadle to authorize Staff to use the EDCWA’s vendor list of qualified contractors as long the District to go to bid when required. Second by Director Hanschild.

The motion passed unanimously.

18. **BOARD MEMBER COMMENTS, REQUESTS FOR ADDITIONS TO FUTURE MEETING AGENDAS AND REQUESTS FOR INFORMATION OR RESEARCH TO BE COMPLETED BY STAFF** – Opportunity for Board members to discuss matters of interest to them and provide input for future meetings as well as report on their District-related meeting attendance.

Director Uso stated that each Director has the right to place items on the Agenda. Director Hoelscher had emailed him and Darrell Creeks to request the addition of two items and he was pleased to accommodate him. However, he asked that Board Members to use this portion of the agenda to request that items be placed on the Agenda. This will allow an opportunity to provide clarity and direction to Staff on the agenda items requested.

No additional agenda items were presented at this time.

The Board adjourned to Close Session at 3:17 PM.

19. **ADJOURN TO CLOSED SESSION - EMPLOYEE EVALUATION**

Pursuant to Government Code 54957(b)(1), the Board adjourns to closed session for: PUBLIC EMPLOYEE INTERVIEWS

TITLE: General Manager

20. **ADJOURN TO OPEN SESSION** – Announcement of action taken in closed session.

The Board adjourned to Open Session at 3:18 PM. No action taken during closed session was announced.

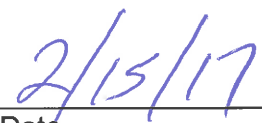
21. **NEXT MEETING DATE AND ADJOURNMENT** – Next regular meeting February 14, 2017, at 2:00 PM, at the Georgetown Divide Public Utility District office.

The meeting was adjourned at 3:19 PM.

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact Darrell Creeks by telephone at 530-333-4356 or by fax at 530-333-9442. Requests must be made as early as possible and at least one-full business day before the start of the meeting. In accordance with Government Code Section 54954.2(a), this agenda was posted on the District’s bulletin board at the Georgetown Divide Public Utility District office, at 6425 Main Street, Georgetown, California, on January 6, 2017.



Darrell Creeks, Interim General Manager



Date